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JAPAN'S NEW INITIATIVE IN THE SOUTH PACIFIC: "EXPECTATIONS ARE INCREASING"

Summary

Japan has been an active player in the South Pacific for the better part of this century. In recent years, however, its primary influence has been economic -- and less significant than that of other industrialized nations. A combination of circumstances makes it likely that Tokyo will accelerate its activities in the Pacific islands, especially in terms of economic assistance. And indeed, Foreign Minister Tadashi Kuranari recently pledged a greater Japanese commitment to the security and development of the region.

A Changing Role For Japan

Japan's annual Diplomatic Bluebook specifies nine islands as part of the South Pacific area: Fiji, Papua New Guinea, Tonga, Western Samoa, Kiribati, the Solomon Islands, Tuvalu and Vanuatu. Tokyo's role in the area was recognized as early as the 1920s when it received a League of Nations mandate for Micronesia after the First World War. Still, Japan has never acquired the importance that Australia, Great Britain and New Zealand (and, to a lesser extent, other Western European countries) enjoy in the region; the islands look to other nations for the lion's share of outside assistance.

In no single country is Japan the most important provider of aid or exports. Instead, Tokyo consistently ranks second or third in both categories. Its rather passive support is reflected in its official policy statements, which, while stressing that Japan will "contribute to stability and prosperity

in the region," encourage the islands to continue "working for nation-building through self-help efforts."[1] There are reasons for this approach. First, Tokyo's official aid policy toward all less developed countries has always been based on the concept of self-help and the belief that countries should take responsibility for their own development strategies. Political considerations also impel Tokyo to stay out of the recipients' development policymaking processes. Its attempts to play the part of a distant benefactor have been particularly pronounced in the South Pacific and in Southeast Asia, where memories of the wartime Greater East Asia Co-Prosperity Sphere are all too close to the surface.

A second reason is that, quite simply, other countries have been willing to bear the responsibility for the region. The United States has provided security assistance, while the former colonial rulers -- Australia, New Zealand, Great Britain, West Germany and France -- have taken the lead on economic assistance and trade matters, thereby allowing Tokyo to play a secondary role and concentrate its attention elsewhere in Asia (see Table 1).

The situation is changing, however. Given the importance that Japan, the United States and other Western allies place on the region, all agree that the maintenance of peace and stability is paramount. Although the Pacific has been peaceful in recent years, some observers are beginning to question its stability. A few of the islands have demonstrated an increased receptivity to Soviet economic overtures -- and a growing tendency to complain about Western policies -- prompting concern that the islands may drift away from their pro-Western posture. And it no longer appears certain that traditional donors will maintain their assistance to the region; economic difficulties in Great Britain and Australia have prompted cutbacks in their aid flows to the islands.

It is no surprise, then, that Tokyo has come under some pressure to play a greater economic role. The South Pacific nations insist that higher levels of assistance are required and Washington has urged Japan to use its resources as a sort of "Marshall Plan" in the Pacific. Tokyo has begun to respond to these concerns, recognizing, as one Foreign Ministry official said, that expectations are increasing.[2] Foreign Minister Tadashi Kuranari recently announced a new South Pacific initiative to underscore the government's commitment to the development and security of the region. And although significant obstacles still hinder prospects for economic growth in the region, it appears likely that the islands will look to Japan more often in the future to meet their development needs.

Aid to the Region

The islands of the South Pacific suffer from even more obstacles to development than most developing countries. Certainly they are subject to classic difficulties. Their economies are largely based on the production of primary products -- fish, agricultural goods and minerals -- all of which are extremely vulnerable to price fluctuations. The situation is exacerbated by the fact that the economies of some of these countries depend on a relatively small number of primary products.

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Table 1: Percentage Share of DAC* Countries in Total Bilateral Aid to South Pacific Countries, 1984

	Japan	Australia	New Zealand	West Germany	Netherlands	France	United States	United Kingdom	Others
Fiji	14.6%	42.3%	14.4%	--**	--	--	8.5%	7.1%	13.0%
Papua New Guinea	--	93.3	--	--	--	--	--	--	6.7
Tonga	26.3	33.6	24.0	--	--	--	8.1	--	8.0
Western Samoa	18.3	25.2	34.2	9.8	--	--	9.1	--	--
Kiribati	25.1	18.5	--	--	--	--	--	50.6	5.8
Solomon Islands	--	--	8.8	--	41.8	--	7.3	34.6	8.0
Tuvalu	--	21.4	10.2	--	--	--	--	67.2	--
Vanuatu	--	16.2	--	--	--	35.8	--	43.0	5.0

*Development Assistance Committee of the Organization for Economic Cooperation and Development

**Dashes indicate that a country's assistance is included in "Others" or that it is not a donor.

Source: Ministry of Foreign Affairs, Japan's ODA 1985.

Other stumbling blocks are more specific to the South Pacific. The most important, perhaps, is size. Although it can be argued that a small population and a limited land area increase the effectiveness of aid flows (and certainly the islands receive more foreign assistance per capita than any other region in the world),[3] this is not necessarily the case. Japanese development specialist Akira Tsusaka says that "for most South Pacific developing countries, 'small' may be an albatross rather than an advantage,"[4] citing the diseconomies of scale that are inherent in the countries' size. It is more cost efficient for the islands to import the goods they need rather than create a broad manufacturing base at home. And in fact, when asked about aid to the region, this was the first problem mentioned by one Japanese official: the limited scale of the economy makes aid initiatives difficult to implement.

In addition, some of the islands (e.g., Kiribati, Western Samoa and Papua New Guinea) must cope with the fact that much of their land is not suitable for agriculture. Inadequate infrastructure facilities, a serious problem for most LDCs, is even worse in the South Pacific, where countries consist of as many as 322 individual islands (Fiji); consequently, transportation and communication difficulties abound. And finally, ever-growing trade and current account deficits have made the islands more dependent on external resources, whether they take the form of direct aid flows or increased exports to other countries.

To date, Tokyo's efforts in the region have only accounted for a small portion of its official development assistance, approximately 1 percent of total bilateral ODA. The Ministry of Foreign Affairs attributes this to the size of the countries and the relatively short period of time that they have been independent. (Most of the nine islands won their independence in the 1970s.) However, Tokyo is aware of the growing demands and says quite frankly that the South Pacific nations expect Japan to provide more economic aid.[5] MFA points out that Japan's aid to the region is steadily expanding, noting that grant aid increased 5.7 times and technical cooperation by 6.15 times in the 1975-84 period.

Tokyo disbursed a total of $19.7 million (converted at 1985's average exchange rate of Y238.5) to eight of the nine islands in calendar 1985, the latest year for which complete data are available (see Table 2). (Nauru, the wealthiest of the group, did not receive Japanese aid since its phosphate deposits give the country one of the highest per-capita incomes in the world. Its supplies, however, are expected to be exhausted as early as 1990.) Papua New Guinea received the lion's share of the total, while Tuvalu and Vanuatu were the least-favored recipients. The overwhelming majority of Tokyo's economic assistance is comprised of grants and technical cooperation; the only countries that have received loans in recent years are Papua New Guinea and the Solomon Islands.

MFA's South Pacific aid policy emphasizes four factors: assistance is proportionate to the size of the country (as measured by gross national product, population and other factors), and concentrates on human resources, agriculture and fisheries, and basic human needs. Grant assistance, however, has primarily been directed toward improving transportation facilities and enhancing the fishing industry. The rationale behind the first focus is straightforward -- transportation is a fundamental requisite to economic development

Table 2: Japan's Aid to South Pacific Nations, 1981-85

(in millions of dollars)

	1981	1982	1983	1984	1985
Fiji					
Grants	$2.19	$3.81	$2.05	$3.44	$8.15
Loans	-0.10	-0.60	0.00	0.00	0.00
Total	2.09	3.21	2.05	3.44	8.15
Papua New Guinea					
Grants	1.30	1.51	1.14	1.63	2.27
Loans	1.09	2.18	2.37	4.56	1.68
Total	2.39	3.69	3.51	6.19	3.95
Tonga					
Grants	3.40	0.76	2.01	3.26	1.33
Loans	0.00	0.00	0.00	0.00	0.00
Total	3.40	0.76	2.01	3.26	1.33
Western Samoa					
Grants	3.85	3.48	3.04	2.01	1.82
Loans	0.00	0.00	0.00	0.00	0.00
Total	3.85	3.48	3.04	2.01	1.82
Kiribati					
Grants	0.62	1.92	2.53	2.60	2.80
Loans	0.00	0.00	0.00	0.00	0.00
Total	0.62	1.92	2.53	2.60	2.80
Solomon Islands					
Grants	2.91	3.35	1.79	0.48	1.01
Loans	-0.21	-0.19	-0.20	0.43	-0.20
Total	2.70	3.16	1.59	0.91	0.81
Tuvalu					
Grants	0.91	0.88	0.01	0.03	0.07
Loans	0.00	0.00	0.00	0.00	0.00
Total	0.91	0.88	0.01	0.03	0.07
Vanuatu					
Grants	0.12	0.87	0.32	0.05	0.75
Loans	0.00	0.00	0.00	0.00	0.00
Total	0.12	0.87	0.32	0.05	0.75
Total					
Grants	15.30	16.58	12.89	13.50	18.20
Loans	0.78	1.39	2.17	4.99	1.48
Total	16.08	17.97	15.06	18.49	19.68

Source: Ministry of Foreign Affairs, Japan's ODA 1985

and will encourage foreign investment in the region, thus partially ameliorating the deficit problems facing the islands. Efforts to develop the fishing industry stem from a belief among some development specialists that the key to economic well-being in the region lies in the resources beyond the shores. As Mr. Tsusaka suggests, the "greatest economic challenge to the countries is, perhaps, turning the disadvantage of their geography into advantage, most notably by exploiting the immense ocean areas which are under their control."[6]

To these ends, in FY 1985 Tokyo agreed to spend Y541 million ($2.4 million at FY 1985's average exchange rate of Y221.09=$1.00) on a fish marketing project in Tonga; Y1.1 billion ($5 million) on domestic transportation and airport facilities in Western Samoa; Y939 million ($4.3 million) on the construction of the Batio-Bairiki Causeway and Fisheries Channel in Kiribati; and Y393 million ($1.8 million) on the improvment of village fisheries equipment in Vanuatu. Much of the remaining grant funds went to educational projects in the region.

Beyond Economic Assistance: Trade and Investment

As noted earlier, the South Pacific is extremely dependent on foreign trade, not only to pay off existing loans but also to purchase many necessary manufactured items that are not made domestically. And since the nine countries all export similar products, regional trade does little good. Traditionally, the region's chief trading partners have been the same countries that provide the most economic assistance -- especially Australia and New Zealand. Japan plays a large role as an exporter to the region and is one of the top four sellers to nearly all nine countries -- although in no single instance does it enjoy the number-one position.

As for imports, Japan is not a top customer for most of the island countries (except for the Solomon Islands and Papua New Guinea), although it does buy timber and minerals from the region. However, these import figures understate Japan's economic activities in the South Pacific since they exclude agreements with several islands covering tuna fishing within the countries' 200-mile fishing zones. These catches do not show up in trade figures but certainly enhance the region's commercial base.

While it is true that, from the islands' perspective, Japan is more important as a seller than as a buyer, Tokyo has consistently run a trade deficit with the region in recent years (see Table 3). In 1986 alone, Japan was in the red by some $121 million. Its most important trading partner in the region by far is Papua New Guinea, which in 1986 accounted for 61 percent of Japan's total exports to the South Pacific and 85 percent of its total imports (see Figures 1 and 2). Moreover, as Figure 3 shows, it has also been the destination of most of Japan's investment in the South Pacific. Annual investment figures for the region are somewhat misleading, though, since the fact that investment funds in the countries are so small means that any new project in a country will dramatically affect the rankings.

By Japan's standards, then, trade and investment in Oceania -- other than in developed countries such as Australia and New Zealand -- is minimal (see Figure 4). Part of the reaon for this is, of course, the small scale of the Pacific economies. Still, the islands would like to see more private

Table 3: Japan's Trade with South Pacific Nations, 1982-86

(in millions of dollars, exports f.o.b./imports c.i.f.)

	1982	1983	1984	1985	1986
Papua New Guinea					
Exports	$127.4	$141.6	$141.5	$133.5	$137.5
Imports	286.4	322.2	283.9	251.5	294.5
Trade Balance	-159.0	-180.6	-142.4	-118.0	-157.0
Solomon Islands					
Exports	8.3	14.9	15.2	16.0	19.8
Imports	43.0	35.2	42.0	43.2	30.9
Trade Balance	-34.7	-20.3	-26.8	-27.2	-11.1
Fiji					
Exports	53.6	57.2	52.7	49.4	43.4
Imports	5.7	8.3	15.2	16.0	19.8
Trade Balance	47.9	48.9	37.5	33.4	23.6
Western Samoa					
Exports	4.5	4.2	4.9	6.6	4.2
Imports	4.0	1.0	0.7	0.7	1.0
Trade Balance	0.5	3.2	4.2	5.9	3.2
Nauru					
Exports	2.1	1.4	4.0	0.7	0.8
Imports	2.2	4.1	0.6	0.0	0.0
Trade Balance	-0.1	-2.7	3.4	0.7	0.8
Tonga					
Exports	1.6	2.8	2.9	1.8	3.8
Imports	0.0	0.1	0.1	0.0	0.1
Trade Balance	1.6	2.7	2.7	1.8	3.7
Tuvalu					
Exports	1.5	0.0	0.0	0.0	0.0
Imports	0.0	0.0	0.0	0.0	0.0
Trade Balance	1.5	0.0	0.0	0.0	0.0
Kiribati					
Exports	4.1	2.9	3.4	3.4	3.4
Imports	0.9	0.6	0.0	0.1	0.1
Trade Balance	3.2	2.3	3.4	3.3	3.3
Vanuatu					
Exports	5.2	8.2	6.7	6.9	13.6
Imports	0.3	1.1	4.0	4.3	1.6
Trade Balance	4.9	7.1	3.7	2.6	12.0
Total					
Exports	208.3	233.2	231.3	218.3	226.5
Imports	342.5	372.6	346.5	315.8	348.0
Trade Balance	-134.2	-139.4	-115.2	-97.5	-121.5

Source: Japan Tariff Association, Summary Report: Trade of Japan

Figure 1: Japan's Exports to the South Pacific, 1978-86

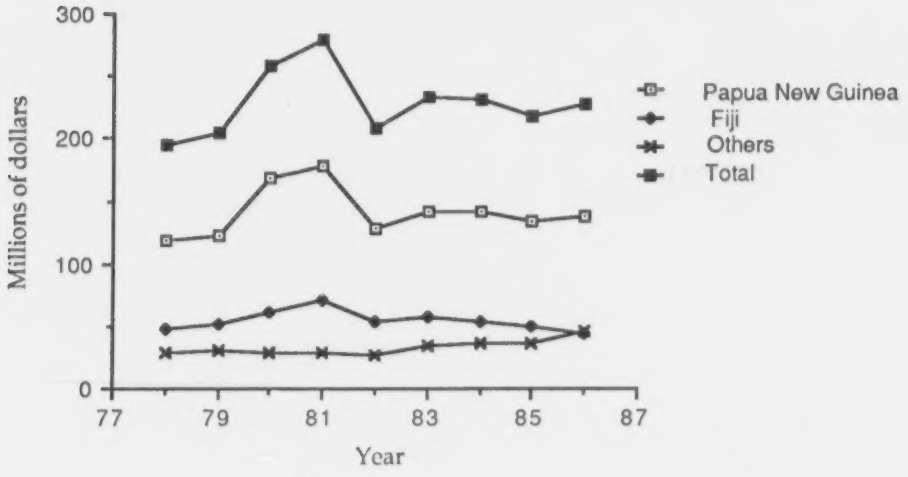


Figure 2: Japan's Imports from the South Pacific, 1978-86

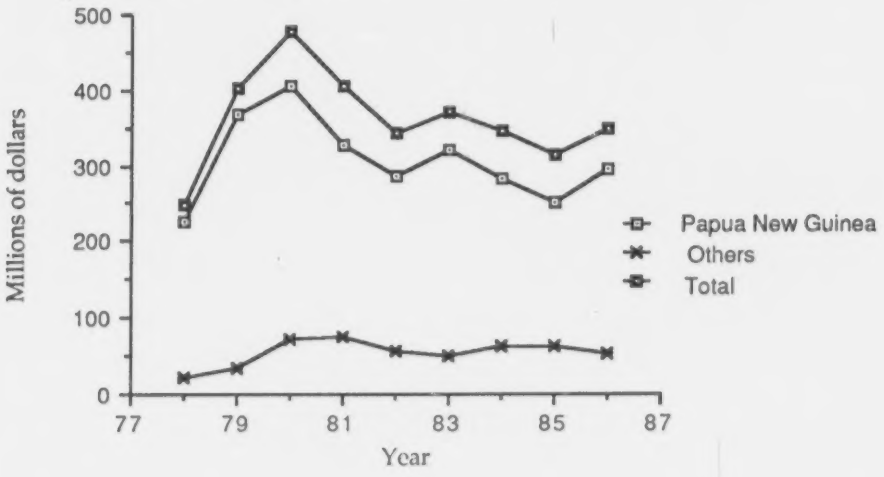


Figure 3: Japan's Investment in South Pacific Islands
FY 1978-85*

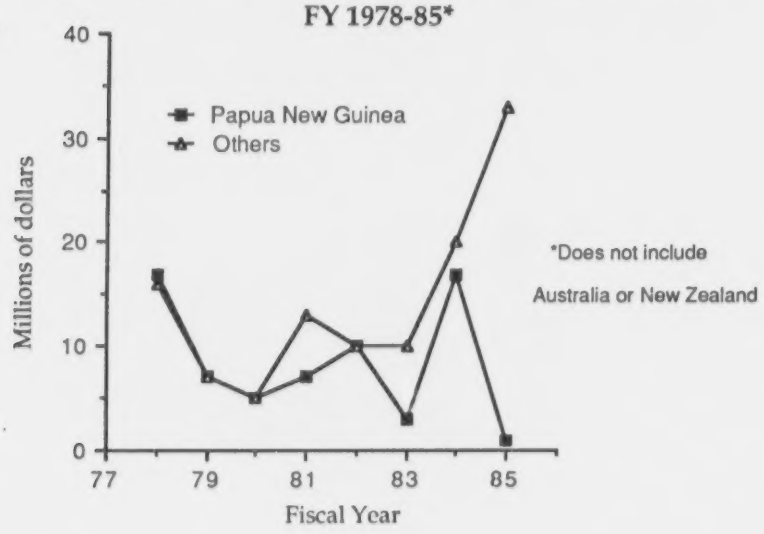
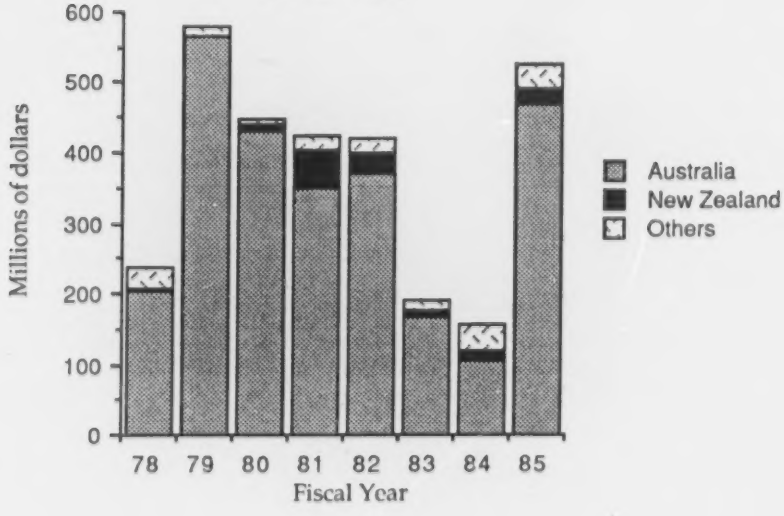


Figure 4: Japan's Investment in Oceania
FY 1978-85



initiatives from Japan -- in both trade and investment -- to bring much-needed cash into their economies. Substantial increases in either area will probably not be forthcoming until more progress is made in developing the Pacific economies, thus making the islands attractive for Japanese business ventures.

The Politics of the South Pacific: A Tense Interdependence

A recent newspaper article summed up Japan's relationship with the South Pacific: "As Tokyo's leaders realize, Japan needs the Pacific and the Pacific needs Japan."7 This is true enough and provides ample incentive for Japan and other members of the Western alliance to find acceptable solutions to the problems in the relationship. One of the snags in accomplishing this goal, however, is that the Pacific islands have a different agenda than Japan and the United States.

According to an official from Vanuatu, three issues cause the most concern to the Pacific countries. First, he said, existing colonialism in the region should not be tolerated, especially since there are more non-independent areas in the South Pacific than in any other region of the world. That Washington continues to support French colonial claims to French Polynesia and New Caledonia is an irritant that only serves to exacerbate existing resentment toward the West. Tokyo is apparently keeping a low profile on this question. State Department officials say they have no indication of Japan's position on the matter.

A second grievance is the question of nuclear testing. French nuclear tests in Muroroa have prompted cries of indignation from the Pacific countries and according to the Far Eastern Economic Review, "murmurs of neutralism."8 Eight members of the South Pacific Forum, a 13-member group of regional countries (including Australia and New Zealand), have signed a treaty declaring the region a nuclear-free zone. These signatories will neither make nor store nuclear weapons. New Zealand and Vanuatu have taken the ban a step further; they refuse to allow nuclear warships to call at their ports.

Finally, the islands insist that they need more assistance in developing their economies -- especially since they are desperately in need of currency to alleviate their persistent deficits. Some observers fear that the Pacific countries' economic difficulties will grow so serious that they will begin to welcome Soviet offers of economic assistance. Indeed, two countries, Kiribati and Vanuatu, have already signed fishing agreements with Moscow, allowing Soviet ships to fish in South Pacific territorial waters in exchange for hard currency.

Western countries are watching these developments with growing alarm. Allowing Soviet merchant marine vessels into the area increases the likelihood that Soviet submarines (or espionage vessels) will gain access to the region as well. Tokyo and Washington are only too aware that this could seriously jeopardize the region's security -- including access to Japan's sealanes as well as the waters that link Hawaii, the Philippines, Guam and Japan.

Nor are all the Pacific countries attempting to minimize the significance of these agreements -- although they do stress that they are based on economic rather than political grounds. Still, President Ati George Sokomanu

of Vanuatu (the only nonaligned country of the nine) did not hesitate to issue a warning to the West last month: "If you leave the islands, because they are so small and they have no . . . natural resources, they are vulnerable to temptation when facing offers like that of the USSR."[9] The State Department appears to agree, cautioning that in the absence of economic stability, "the region's political institutions will come under considerable and perhaps irresistible pressure to adopt more radical solutions."[10]

Much of the islands' rhetoric, no doubt, is designed to gain as much economic leverage as possible from the fishing agreements. The possibility of Pacific economic cooperation with the Soviet Union is, after all, the best bargaining tool available to them. Still, as long as the islands make economic assistance their top priority, the Soviet Union can offer a viable alternative to Western aid. And as long as the Western alliance depends so vitally on the region for its security -- not least for the protection of Japan's southern borders -- the islands' threats to expand their economic collaboration with the Soviets will be viewed as credible. One Japanese diplomat called the situation a game of very high stakes that Japan, the United States and the Soviet Union are playing. Because the stakes are so high, he said, the situation is not compatible with the views of countries such as New Zealand, which takes a somewhat standoffish position with regard to regional politics.

Certainly the tilt of the region is toward the West. The Economist went so far as to call the South Pacific "uncompromisingly Western, despite occasional murmurs of neutralism."[11] While this may be a comforting characterization, those murmurs are worrisome enough to prompt Tokyo to issue a few warnings of its own. For example, Foreign Minister Kuranari has stated unequivocally that Japan "cannot support the introduction of new tension into this peaceful and untroubled region."[12]

However, Japan may be more hesitant than the United States to condemn the Soviet fishing agreements out-of-hand. Although the agreements are just as unsettling to Tokyo, at least one Japanese newspaper has advocated taking them at face value. Ultimately, Kiribati and Vanuatu signed the accords for valid economic reasons, argued the daily Nihon Keizai Shimbun. Consequently, it may be in Tokyo's best interest to step up its economic assistance, thereby tackling the causes of the problem, rather than focusing on Soviet intentions and actions.[13]

Pacific Basin Cooperation

One of the basic tenets of Japan's Pacific policy is to encourage regional cooperation through organizations such as the South Pacific Forum.[14] The idea of an all-inclusive regional group is an oft-discussed concept, with its logical culmination in Japan's support for the establishment of a comprehensive forum to promote Pacific Basin cooperation among Japan, the United States, Australia, New Zealand, ASEAN (Association of South East Asian Nations) countries, northeast Asian countries and the Pacific islands. Developed by Japanese business and academics in the 1950s and 1960s, the original concept was to establish a Pacific Economic Community; Tokyo was one of the most active supporters of this idea.

In 1967, largely due to Japan's efforts, the Pacific Basin Economic Council was established. Its members include business representatives from

Japan, the United States, Canada, Australia and New Zealand. One year later, the first session of the Pacific Trade and Development Conference was held; its members too were from the industrialized countries. Not until a later session did developing-country representatives attend the meetings.

Other regional groups were also established. For example the Pacific Economic Cooperation Conference was set up in 1980 by ASEAN members, South Korea and some of the Pacific islands largely to act as a liaison between PBEC and PAFTAD. Finally, the United Nations Economic and Social Commission for Asia and the Pacific was set up in 1947 to promote economic and social development in the region (see Map). The idea of a broader Pacific Community achieved some prominence under then-Prime Minister Masayoshi Ohira but after his death in 1980 the movement slipped, resurfaced briefly under Zenko Suzuki and then faded again.

Prime Minister Yasuhiro Nakasone has again focused attention on the idea -- but with some variations. Over the years the focus has shifted from a Pacific Economic Community to Pacific Basin cooperation. Part of the reason for this is that the potential members are wary of establishing an overly rigid structure. All agree that a Pacific Basin plan should not be modeled after the European Community. Smaller participants fear the possibility of committing themselves to an organization that will ultimately subordinate the interests of developing countries to those of Japan, the United States and other industrialized participants.

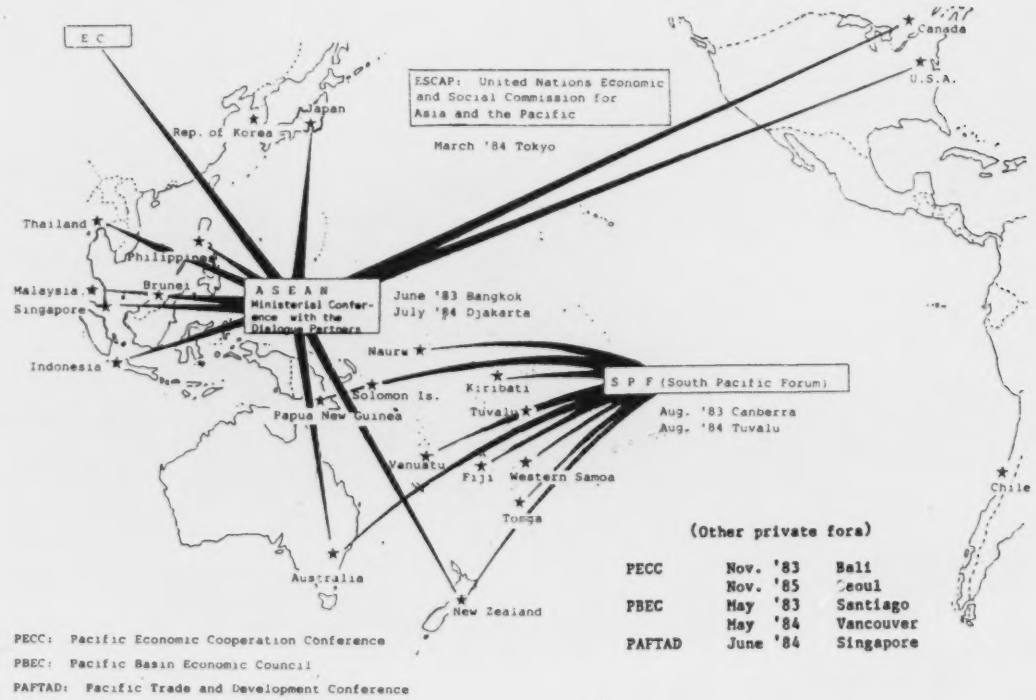
Tokyo has said that any Pacific Basin plan would be centered around the needs of the developing countries, with Tokyo and Washington providing financial and technical assistance rather than leadership.[15] Another reason for Japan's reluctance to take the lead in Pacific cooperation is that Tokyo has no wish to antagonize other -- especially European -- trading partners. Clearly, policymakers recognize the necessity of balancing regional and international interests -- and a strong drive toward Pacific integration could tip the scales too far toward Japan's regional role.

In 1985 Mr. Nakasone expressed support for increased Pacific cooperation during his tour of the United States, Fiji, Papua New Guinea, Australia and New Zealand. He eschewed a leadership position for Japan, calling instead for low-profile cooperation and exchanges on economic, cultural, scientific and technical matters. But this ideal cooperation appears to be a long way off. The barriers to reaching a consensus among the Pacific Basin countries remain significant. In addition to the political disputes discussed above, the sheer diversity among regional players is staggering. In contrast to the similarities among members of the EC, the Pacific countries include newly industrialized countries, developing countries (mainly the islands) and "post-industrialized" economies such as the United States and Japan. Moreover, far from enjoying the geographic proximity of the EC countries, the physical distance separating some of the prospective members of a Pacific organization is also daunting. And finally, because of the different levels of commitment among participants, it is still not clear what "Pacific Basin cooperation" entails.

Prospects for the Future

There is little doubt that Japan will continue to increase its presence in the South Pacific. In the short term, this is likely to take the form of

Fora for Regional Cooperation in the Asia-Pacific Region (Mainly on Economic Subjects)



Source: Ministry of Foreign Affairs, Diplomatic Bluebook (1984 edition)

more aid flows, as both the developed countries and the islands continue to argue that the region is becoming an essential part of Tokyo's expanding international responsibilities.

Foreign Minister Kuranari discussed the subject on his January 1987 tour of Fiji, Vanuatu, New Zealand, Australia and Papua New Guinea. During his 10-day visit Mr. Kuranari pledged a "new Pacific policy," largely in response to requests issued last year at the summit conference of the South Pacific Forum. The initiative involves a renewed commitment to play a major role in the area's development and stability. The foreign minister said that Tokyo respects the independence of the nations in the region and will not interfere with their autonomous initiatives. Second, he said, the South Pacific Forum and other organizations will work toward regional harmony. The foreign minister confirmed Japan's commitment to stability in the Pacific, including additional economic assistance to promote regional development. And finally, he encouraged exchanges to increase contact among Pacific countries.

The content of Mr. Kuranari's South Pacific speech resembles Tokyo's policy toward ASEAN nations -- a commitment to regional stability through increased economic support within the context of greater regional understanding through "heart-to-heart" contacts. The tenets of the "Fukuda Doctrine," which was announced to Southeast Asian countries a decade ago, are thus apparently in the process of being extended to other regional players.

One Pacific island official summed up the present situation very simply: "Any assistance we can get from anybody is very important." Although this sort of statement carries an implicit threat, it is evident that the islands are hoping that the West will provide such assistance. And it will be increasingly true that the region -- and the rest of the world -- will depend on Japan to be the economic benefactor of the South Pacific.

Footnotes

[1]Ministry of Foreign Affairs, Diplomatic Bluebook (1984 edition), p. 50.

[2]Asahi Shimbun, October 26, 1986.

[3]Wall Street Journal, March 5, 1987.

[4]Akira Tsusaka, "South Pacific Developing Countries: Development Issues and Challenges," Asian Development Review, 1984 (No. 1), p. 66.

[5]Ministry of Foreign Affairs, Diplomatic Bluebook (1982 edition), p. 47.

[6]Tsusaka, op. cit., p. 65.

[7]Asian Wall Street Journal Weekly, May 4, 1987.

[8]Far Eastern Economic Review, July 20, 1985.

[9]Kyodo News Service, June 8, 1987.

[10]Asian Wall Street Journal Weekly, op. cit.

[11]The Economist, July 20, 1985.

[12]Asian Wall Street Journal Weekly, op. cit.

[13]Nihon Keizai Shimbun, January 19, 1987.

[14]Ministry of Foreign Affairs, Diplomatic Bluebook (1984 edition), op. cit., p. 50.

[15]Far Eastern Economic Review, January 31, 1985.

For further information, contact Eileen Marie Doherty.

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The view expressed in this report are those of the author and do not necessarily represent those of the Japan Economic Institute.